

PROVINCE OF SASKATCHEWAN



08-09

ANNUAL REPORT

**MINISTRY OF
AGRICULTURE**

Beef Development Board

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This annual report is also available in electronic format from the Ministry's website at www.agriculture.gov.sk.ca.

Letters of Transmittal



2009

His Honour,
The Honourable Dr. Gordon L. Barnhart
Lieutenant-Governor of the Province of Saskatchewan

May it please Your Honour:

As Minister of Saskatchewan Agriculture it is my pleasure to submit the annual report of the Beef Development Board for the year ending March 31, 2009.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bob Bjornerud".

Bob Bjornerud
Minister of Agriculture

Letters of Transmittal



The Honourable Bob Bjornerud
Minister of Agriculture
Room 302, Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Sir:

I am pleased to present herewith the annual report of the Beef Development Board for the 12 months ending March 31, 2009.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "David Boehm". The signature is fluid and cursive, with a large, sweeping "D" and "B".

David Boehm, Chairperson
Beef Development Board

The Beef Development Fund

The Beef Development Fund (BDF) supports the development and diversification of Saskatchewan's beef industry through the funding of projects related to production research, technology transfer, and development and promotion of new products.

The BDF was established in 1994 utilizing funds saved due to the termination of the National Tripartite Stabilization Program for Cattle and the marketing surplus from the Saskatchewan Beef Stabilization Board marketing account.

Funding under this program has been fully committed and BDF no longer accepts applications for funding.

Board Personnel

Board of Directors

Mr. David Boehm, Chairperson	Regina
Mr. Abdul Jalil, Vice-Chairperson	Regina
Mr. Greg Haase	Regina

Staff

Staff services are provided through the Agriculture Research Branch and Corporate Services Branch of the Ministry of Agriculture.

Dr. Henry Soita	Secretary
Ms. Terri Schmidt	Financial Manager
Ms. Cheryl Stroh	Database Coordinator/Financial Records

Activities Report 2008 - 2009

This report covers the 2008-09 fiscal year of operation of the Beef Development Board (BDB).

Background

The Beef Development Board was established on June 28, 1994, to administer the Beef Development Plan and utilize the funds saved due to the termination of the National Tripartite Stabilization Program and the surplus from the Saskatchewan Beef Stabilization Board marketing account.

The funding available to the Board on a one-time basis was \$1.8 million from Saskatchewan Beef Stabilization Board marketing account and \$1.4 million from the provincial government for the transition of Beef Industry Development Fund (to replace the provincial share in the National Tripartite Stabilization Program funds).

The Beef Development Board supports the development and diversification of Saskatchewan's beef industry through the funding of projects related to production research, including nutrition, management, disease prevention and pest control, reproduction, animal welfare, and environmental impact, technology transfer, and development and promotion of new products.

Activities in 2008-09

No Board activity occurred during this fiscal year. Project payments continue as scheduled.

Management Report

Management is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with generally accepted accounting principles in Canada.

The integrity of the financial records from which these financial statements are prepared is largely dependent on management's systems of internal accounting controls. The purpose of such systems is to provide reasonable assurance that transactions are appropriately recorded in order to permit preparation of financial statements; and, assets are properly accounted for and safeguarded against loss from unauthorized use. Underlying this concept of reasonable assurance is the fact that limitations exist in any system of internal accounting controls based on the premise that the cost of such controls should not exceed the benefits derived therefrom.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board meets periodically with management to satisfy itself that management's responsibilities are properly discharged, and reviews and approves the financial statements and annual report.

The Provincial Auditor of Saskatchewan has audited the financial statements. His report to the Members of the Legislative Assembly, stating the scope of the examination and opinion on the financial statements, appears on the following pages.

The financial statements have been examined and approved by the Board.

Submitted by:



Ms. Alanna Koch
Deputy Minister
Saskatchewan Ministry of Agriculture



Mr. Laurier Donais
Director, Corporate Services Branch
Saskatchewan Ministry of Agriculture

July 20, 2009



SASKATCHEWAN

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Beef Development Board as at March 31, 2009 and the statement of revenue, expense and change in net assets for the year then ended. The Board's management is responsible for preparing these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
July 22, 2009

Fred Wendel, CMA, CA
Provincial Auditor

**BEEF DEVELOPMENT BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31**

	<u>2009</u>	<u>2008</u>
Financial assets		
Due from General Revenue Fund (Note 3)	\$ 235,419	\$ 238,233
Accrued interest receivable	<u>615</u>	<u>2,205</u>
Total Financial Assets	<u>236,034</u>	<u>240,438</u>
 Liabilities		
Accounts payable	<u>50,365</u>	<u>---</u>
Net assets (Statement 2)	<u>\$ 185,669</u>	<u>\$ 240,438</u>

(See accompanying notes to the financial statements)

BEEF DEVELOPMENT BOARD
STATEMENT OF REVENUE, EXPENSE AND CHANGE IN NET ASSETS
For the Year Ended March 31

	Budget 2009	2009	2008
Revenue			
Interest revenue	\$ 3,095	\$ 4,579	\$ 11,978
Miscellaneous revenue	<u>---</u>	<u>10,017</u>	<u>5,338</u>
Total revenue	<u>3,095</u>	<u>14,596</u>	<u>17,316</u>
Expense			
Project expenses (Note 4)	86,935	69,365	87,300
Miscellaneous expenses	<u>2,500</u>	<u>---</u>	<u>665</u>
Total expense	<u>89,435</u>	<u>69,365</u>	<u>87,965</u>
Deficit	<u>\$ (86,340)</u>	(54,769)	(70,649)
Net assets, beginning of year		<u>240,438</u>	<u>311,087</u>
Net assets, end of year - to Statement 1		<u>\$ 185,669</u>	<u>\$ 240,438</u>

(See accompanying notes to the financial statements)

BEEF DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2009

1. Authority

The Beef Development Board (Board) was established pursuant to Section 4 of *The Agri-Food Act 2004* to administer the Beef Development Plan. The Beef Development Plan was established effective June 28, 1994 to enhance the Saskatchewan beef and beef cattle industry through research, development and promotional activities that the Board considers to be in the best interests of the industry.

The Board administers the Plan through the Beef Development Fund.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the Board is classified as an other government organization. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to the public sector and include the following significant accounting policies:

a) Research and Development projects

Payments for research and development projects are recorded as project expenses when approved and the eligibility criteria, if any, have been met by the recipient.

b) Revenue Recognition

Interest income is recognized as revenue when earned.

c) Receivables/Payables

These financial instruments are both interest and non-interest bearing and are due or payable within the next year. Due to this short-term maturity, the carrying value of these financial instruments approximates fair value.

3. Related Party Transactions

Included in these financial statements are transactions with Saskatchewan Crown agencies related to the Board by virtue of common control or significant influence by the Government of Saskatchewan.

The money of the Beef Development Board is deposited in the General Revenue Fund. Under this arrangement, interest is calculated on the net position of the Beef Development Board. Interest is paid by the General Revenue Fund on a quarterly basis using the Government's thirty-day borrowing rate. The Government's average thirty-day borrowing rate for 2008/2009 is 1.95% (2007/2008 - 4.08%).

The Board receives the use of office and administrative services from the Ministry of Agriculture without charge.

Other transactions with related parties and amounts due to/from them are disclosed separately in the financial statements and notes thereto.

4. Research and Development Projects

Project expenses are as follows:

	<u>2009</u>	<u>2008</u>
University of Saskatchewan	\$ 63,000	\$ 62,300
Farm Animal Council of Saskatchewan Inc.	---	5,000
Prairie Agricultural Machinery Institute	<u>6,365</u>	<u>20,000</u>
	<u>\$ 69,365</u>	<u>\$ 87,300</u>

5. Contractual Obligations

At March 31, 2009 the Board has approved projects for payment in the following years.

2009/2010	\$ 24,600
2010/2011	\$ 15,000

6. Budget

The Board approved the 2008-2009 budget on March 26, 2008.

7. Cash Flow Statement

No cash flow statement is presented because the required cash flow information is readily apparent from the other financial statements.

8. Significant Events

On March 9, 2006, the Board agreed to wind down its existence and request repeal of the applicable Regulations of *The Agri-Food Act*. The Regulations have not yet been repealed as of March 31, 2009.

Project Payments (Unaudited)

Please note: The following project payments represent only the payments made in the 2008-2009 fiscal year. These amounts do not reflect total project contract amounts for these initiatives.

Department of Herd Medicine and Theriogenology	Distribution, Seasonally, and Persistence of Mycobacterium Paratuberculosis (Johne's Disease) in the Environment of Cow Calf Farm	\$ -10,017.10 (Refund)
Saskatchewan Innovation Food Program University of Saskatchewan	Value-Added Beef Program	\$ 48,000
Western Beef Development Centre/Prairie Agricultural Machinery Institute	Low-Cost Winter Feeding Systems for Cow-Calf Producers	\$ 4,000
Animal and Poultry Science University of Saskatchewan	Technology Transfer Activities of the Saskatchewan Beef Industry chair	\$ 15,000

